

OPEN MEETING ITEM



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ORIGINAL

BEFORE THE ARIZONA CORPORATION COMMISSION

RECEIVED

Arizona Corporation Commission

DOCKETED

FEB 13 2009

COMMISSIONERS

KRISTIN K. MAYES- Chairman

GARY PIERCE

PAUL NEWMAN

SANDRA D. KENNEDY

BOB STUMP

2009 FEB 13 A 10:11

AZ CORP COMMISSION
DOCKET CONTROL

DOCKETED BY

KK

MM

IN THE MATTER OF THE COMMISSION ON ITS
OWN MOTION INVESTIGATING THE FAILURE
OF NUMEROUS UTILITIES TO FILE ANNUAL
REPORTS FOR CALENDAR YEAR 2007

DOCKET NO. C-00000A-09-0060

COMPLAINT AND PETITION
FOR AN ORDER TO SHOW CAUSE

Staff of the Utilities Division ("Staff") of the Arizona Corporation Commission
("Commission") hereby brings this Complaint and Petition for Order to Show Cause against the
following respondents:

DOCKET NO	COMPANY NAME
T-03711A	AIRNEX COMMUNICATIONS, INC.
T-03227A	AMERICOM TECHNOLOGIES, INC. dba NETWORK UTILIZATION SERVICES
T-03014A	CANDACE ADAIR dba ADAIR COMMUNICATIONS
W-02034A	CIENEGA WATER COMPANY, INC.
T-04258A	COGNIGEN NETWORKS, INC.
W-01558A	CROWN KING WATER COMPANY INC.
W-01351A	ELFRIDA DOMESTIC WATER USERS ASSOCIATION
T-20444A	EMPIRE PAYPHONES, INC.
T-02995A	GASLIGHT THEATRE
SW-02326A	GREENEHAVEN SEWER COMPANY, INC.
W-02325A	GREENEHAVEN WATER COMPANY, INC.
W-01896A	HOLIDAY ENTERPRISES INCORPORATED dba HOLIDAY WATER COMPANY
T-03712A	JOHN WISER dba CACTEL
W-01557A	LAKE VERDE WATER COMPANY
T-03132A	LDC TELECOMMUNICATIONS, INC.
W-01961A	LUCKY HILLS WATER COMPANY
T-04119A	MGEN SERVICES CORP.
W-02164A	MORRISTOWN WATER COMPANY
W-04069A	OATMAN WATER COMPANY, L.L.C.
T-02960A	PAYPHONES PLUS INC.
W-01774A	PICACHO WATER IMPROVEMENT
W-02800A	Q MOUNTAIN WATER INC.

W-02280A	SOUTH RAINBOW VALLEY WATER COOP.
SW-02390A	SOUTHLAND SANITATION, CO.
T-02771A	SOUTHSIDE LIQUORS
W-01407A	STRAWBERRY WATER COMPANY
W-02386A	SUN LEISURE ESTATES UTILITIES COMPANY, INC.
WS-04247A	SUNRISE UTILITIES, L.L.C.
T-04124A	TELLISS, LLC
W-02168A	TRUXTON CANYON WATER COMPANY, INC.
T-04212A	VALUTEL COMMUNICATIONS, INC. dba VALUTEL COMMUNICATIONS
W-01983A	VOYAGER AT WHITE MOUNTAIN LAKES WATER COMPANY, INC.
W-02104A	VOYAGER WATER COMPANY
T-03141A	VYCERA COMMUNICATIONS, INC.
T-04307A	WESTEL, INC.
W-04161A	WHITE HORSE RANCH OWNERS ASSOCIATION, INC.
T-02834A	WILDCAT WASH WELL, LTD.
W-01084A	WILLIAM P. FARR dba SALOME WATER COMPANY
W-02173A	WILLOW LAKES PROPERTY OWNERS ASSOCIATION, INC.

Staff, for its Complaint, alleges as follows:

I

The Commission is an agency of the State of Arizona, existing by virtue of Article 15 of the Arizona Constitution.

II

Respondents are public service corporations as defined by Article 15, Section 2 of the Arizona Constitution, and were issued Certificates of Convenience and Necessity in accordance with Arizona Revised Statutes Section 40-281.

III

As public service corporations, respondents are subject to the jurisdiction of the Commission with regard to the matters herein alleged.

IV

This Complaint is initiated and authorized pursuant to Arizona Revised Statutes, Sections 40-202, 40-204, 40-425, 40-426, and Arizona Administrative Code R14-2-411.D.4, R14-2-510.G.4, R14-2-610.D.4., R14-2-907.A., R14-2-1011.A., and R14-2-1115.F.

V

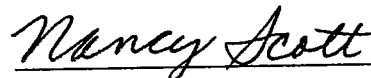
Investigation by the Staff reveals that Respondents have violated Arizona Revised Statutes and Commission Rules. Staff alleges the following in support of this claim:

- A. Pursuant to Arizona Revised Statutes Section 40-204 and Arizona Administrative Code R14-2-411.D.4, R14-2-510.G.4, R14-2-610.D.4., R14-2-907.A., R14-2-1011.A., and R14-2-1115.F., all public service corporations in Arizona are required to file an annual report on or before April 15 of each year.
- B. Despite repeated attempts by the Staff to persuade Respondents to file such reports, Respondents have failed to do so for calendar year 2006 and are thus in violation of Arizona Revised Statutes Section 40-204 and Arizona Administrative Code, R14-2-411.D.4, R14-2-510.G.4, R14-2-610.D.4., R14-2-907.A., R14-2-1011.A., and R14-2-1115.F.
- C. Pursuant to Arizona Revised Statutes Section 40-204, Respondents are in contempt of the Commission for their failure to comply with the aforementioned rules and requirements of the Commission.

VI

The violations of Respondents to the aforementioned rules and requirements, as alleged herein, constitutes grounds to assess a civil penalty against Respondents pursuant to Arizona Revised Statutes Section 40-424 and 40-425, in an amount not less than \$100 nor more than \$5,000 for each violation, and/or revoke respondents certificate of convenience and necessity.

RESPECTFULLY SUBMITTED this 13th day of February, 2009.



Nancy Scott
Attorney, Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007
(602) 542-6020

The original and eighteen (18) copies of the foregoing were filed this 13th day of February, 2009, with:

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

1 Copies of the foregoing mailed this
2 13th day of February, 2009, to:

3 Airnex Communications, Inc.
4 3180 Crow Canyon Pl., Ste. 109
5 San Ramon, CA 94583

Greenehaven Water Company, Inc.
PO Box 5122
Page, AZ 86040

6 Americom Technologies, Inc.
7 Network Utilization Services
8 PO Box 990-165
9 Boston, MA 02199

Holiday Enterprises Incorporated
Holiday Water Company
PO Box 309
Tombstone, AZ 85638

10 Candace Adair
11 Adair Communications
12 4218 W. Flower St.
13 Phoenix, AZ 85019-4135

John Wiser
Cactel
2027 Del Oro Lane
Yuma, AZ 85364

14 Cienega Water Company, Inc.
15 PO Box 3518
16 Parker, AZ 85344

Lake Verde Water Company
PO Box 2777
Camp Verde, AZ 86322

17 Cognigen Networks, Inc.
18 6405 218th St SW., Ste. 305
19 Mountlake Terrace, WA 98043-2180

LDC Telecommunications, Inc.
c/o InterControllers
10012 N. Dale Mabry Hwy., Ste. 215
Tampa, FL 33618

20 Crown King Water Company, Inc.
21 4918 W Park View Lane
22 Glendale, AZ 85310

Lucky Hills Water Company
PO Box 309
Tombstone, AZ 85638

23 Elfrida Domestic Water Users Association
24 PO Box 356
25 Elfreda, AZ 85610

MGEN Services Corp.
2510 N. Redhill Ave., Ste. 230
Santa Ana, CA 92705

26 Empire Payphones, Inc.
27 1490 Westfork Dr., Ste. G
28 Lithia Springs, GA 30122

Morristown Water Company
PO Box 156
Morristown, AZ 85342

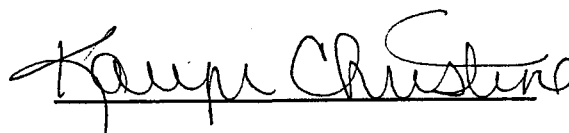
Gaslight Theatre
7010 E. Broadway
Tucson, AZ 85710

Oatman Water Company, L.L.C.
9184 N. 81st St.
Scottsdale, AZ 85258

Greenehaven Sewer Company, Inc.
PO Box 5122
Page, AZ 86040

Payphones Plus Inc.
1635 E. Redfield Rd.
Tempe, AZ 85283

1	Picacho Water Improvement	Voyager at White Mountain Lakes Water
2	PO Box 44	Company, Inc.
3	Picacho, AZ 85421	1993 Juniper Ridge Resort
4	Q Mountain Water Inc.	Show Low, AZ 85901
5	12486 S. Foothills Blvd.	Voyager Water Company
6	Yuma, AZ 85367	8701 S. Kolb Rd
7	South Rainbow Valley Water Coop.	Tucson, AZ 85706
8	27205 S. 170th Ave.	Vycera Communications, Inc.
9	Buckeye, AZ 85326	1339 Caminito Laura
10	Southland Sanitation, Co.	Encinitas, CA 92024-7003
11	2730 E. Broadway, Ste 135	Westel, Inc.
12	Tucson, AZ 85716	c/o Nick Tondre
13	Southside Liquors	9606 N. Mopac, St. 700
14	619 W. Frito Ave	Austin, TX 78759
15	Mesa, AZ 85210	White Horse Ranch Owners Association, Inc.
16	Strawberry Water Company	PO Box 670
17	HC 1 Box 817	Dewey, AZ 86327-0660
18	Pine, AZ 85544-9719	Wildcat Wash Well, Ltd.
19	Sun Leisure Estates Utilities Company Inc.	5212 E. 8th Street
20	c/o Crites & Associates	Tucson, AZ 85711
21	PO Box 5681	William P. Farr
22	Yuma, Az 85366	Salome Water Company
23	Sunrise Utilities, L.L.C.	PO Box 550
24	PO Box 3630	Salome, AZ 85348
25	Mesquite, NV 89024	Willow Lakes Property Owners Assn, Inc.
26	Telliss, LLC	PO Box 875
27	9093 Technology Dr., Ste. 104	Benson, AZ 85602
28	Fisher, IN 46038	
	Truxton Canyon Water Company, Inc.	
	2409 Ricca Dr	
	Kingman, AZ 86401	
	ValuTel Communications, Inc.	
	ValuTel Communications	
	13809 N. Highway 183, Ste. 705	
	Austin, TX 78750-1246	



1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 KRISTIN K. MAYES

Chairman

3 GARY PIERCE

Commissioner

4 PAUL NEWMAN

Commissioner

5 SANDRA D. KENNEDY

Commissioner

6 BOB STUMP

Commissioner

7
8 IN THE MATTER OF THE COMMISSION)
9 ON ITS OWN MOTION INVESTIGATING)
10 THE FAILURE OF NUMEROUS)
11 UTILITIES TO FILE ANNUAL REPORTS)
12 FOR CALENDAR YEAR 2007)

DOCKET NO. C-00000A-09-0060

DECISION NO. _____

ORDER TO SHOW CAUSE

12 Open Meeting

13 March 3 and 4, 2009

14 Phoenix, Arizona

15 **BY THE COMMISSION:**

16 The Arizona Corporation Commission ("Commission"), hereby issues this Order to Show
17 Cause against the following respondents:

DOCKET NO.	COMPANY NAME
T-03711A	AIRNEX COMMUNICATIONS, INC.
T-03227A	AMERICOM TECHNOLOGIES, INC. dba NETWORK UTILIZATION SERVICES
T-03014A	CANDACE ADAIR dba ADAIR COMMUNICATIONS
W-02034A	CIENEGA WATER COMPANY, INC.
T-04258A	COGNIGEN NETWORKS, INC.
W-01558A	CROWN KING WATER COMPANY INC.
W-01351A	ELFRIDA DOMESTIC WATER USERS ASSOCIATION
T-20444A	EMPIRE PAYPHONES, INC.
T-02995A	GASLIGHT THEATRE
SW-02326A	GREENEHAVEN SEWER COMPANY, INC.
W-02325A	GREENEHAVEN WATER COMPANY, INC.
W-01896A	HOLIDAY ENTERPRISES INCORPORATED dba HOLIDAY WATER COMPANY
T-03712A	JOHN WISER dba CACTEL
W-01557A	LAKE VERDE WATER COMPANY

T-03132A	LDC TELECOMMUNICATIONS, INC.
W-01961A	LUCKY HILLS WATER COMPANY
T-04119A	MGEN SERVICES CORP.
W-02164A	MORRISTOWN WATER COMPANY
W-04069A	OATMAN WATER COMPANY, L.L.C.
T-02960A	PAYPHONES PLUS INC.
W-01774A	PICACHO WATER IMPROVEMENT
W-02800A	Q MOUNTAIN WATER INC.
W-02280A	SOUTH RAINBOW VALLEY WATER COOP.
SW-02390A	SOUTHLAND SANITATION, CO.
T-02771A	SOUTHSIDE LIQUORS
W-01407A	STRAWBERRY WATER COMPANY
W-02386A	SUN LEISURE ESTATES UTILITIES COMPANY, INC.
WS-04247A	SUNRISE UTILITIES, L.L.C.
T-04124A	TELLISS, LLC
W-02168A	TRUXTON CANYON WATER COMPANY, INC.
T-04212A	VALUTEL COMMUNICATIONS, INC. dba VALUTEL COMMUNICATIONS
W-01983A	VOYAGER AT WHITE MOUNTAIN LAKES WATER COMPANY, INC.
W-02104A	VOYAGER WATER COMPANY
T-03141A	VYCERA COMMUNICATIONS, INC.
T-04307A	WESTEL, INC.
W-04161A	WHITE HORSE RANCH OWNERS ASSOCIATION, INC.
T-02834A	WILDCAT WASH WELL, LTD.
W-01084A	WILLIAM P. FARR dba SALOME WATER COMPANY
W-02173A	WILLOW LAKES PROPERTY OWNERS ASSOCIATION, INC.

FINDINGS OF FACT

The Commission, for its Complaint, and Order to Show Cause alleges as follows:

1. The Commission is an agency of the State of Arizona, existing by virtue of Article 15 of the Arizona Constitution.
2. Respondents are public service corporations as defined by Article 15, Section 2 of the Arizona Constitution, and were issued Certificates of Convenience and Necessity in accordance with Arizona Revised Statutes Section 40-281.
3. As public service corporations, respondents are subject to the jurisdiction of the Commission with regard to the matters herein alleged.

...

1 4. This Complaint is initiated and authorized pursuant to Arizona Revised Statutes,
2 Sections 40-202, 40-204, 40-425, 40-426, and Arizona Administrative Code R14-2-411.D.4, R14-
3 2-510.G.4, R14-2-610.D.4., R14-2-907.A., R14-2-1011.A., and R14-2-1115.F.

4 5. Investigation by the Commission's Staff ("Staff") reveals and the Commission
5 alleges that Respondents have violated Arizona Revised Statutes and Commission Rules. The
6 Commission alleges the following in support of this claim:

7 A. Pursuant to Arizona Revised Statutes Section 40-204 and Arizona
8 Administrative Code R14-2-411.D.4, R14-2-510.G.4, R14-2-610.D.4., R14-2-
9 907.A., R14-2-1011.A., and R14-2-1115.F., all public service corporations in
Arizona are required to file an annual report on or before April 15 of each year.

10 B. Despite repeated attempts by the Staff to persuade Respondents to file such
11 reports, Respondents have failed to do so and are thus in violation of Arizona
12 Revised Statutes Section 40-204 and Arizona Administrative Code, R14-2-
411.D.4, R14-2-510.G.4, R14-2-610.D.4., R14-2-907.A., R14-2-1011.A., and
R14-2-1115.F.

13 C. Pursuant to Arizona Revised Statutes Section 40-204, Respondents are in
14 contempt of the Commission for their failure to comply with the aforementioned
15 rules and requirements of the Commission.

16 6. The violations of Respondents to the aforementioned rules and requirements, as
17 alleged herein, constitutes grounds to assess a civil penalty against Respondents pursuant to
18 Arizona Revised Statutes Section 40-424 and 40-425, in an amount not less than \$100 nor more
19 than \$5,000 for each violation, and/or revoke respondents certificate of convenience and necessity.

20 CONCLUSIONS OF LAW

21 1. The Respondents are public service corporations within the meaning of Article XV
22 of the Arizona Constitution and is subject to the jurisdiction of the Commission.

23 2. The Commission has jurisdiction over the subject matter of Staff's Complaint and
24 Order to Show Cause.

25 3. Notice of this proceeding has been given in accordance with law.

26 ...

27 ...

28 ...

ORDER

IT IS THEREFORE ORDERED that Respondents appear before the Arizona Corporation Commission at a time and place designated by the Commission's Hearing Division and show cause why the Commission should not find Respondents in violation and contempt of Arizona Laws and Commission rules, and show cause why the Commission should not assess against Respondents penalties as provided in Arizona Revised Statutes Sections 40-424 and 40-425, and/or cancel the respondents certificate of convenience and necessity.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION

CHAIRMAN

COMMISSIONER

COMMISSIONER

COMMISSIONER

COMMISSIONER

IN WITNESS WHEREOF, I, MICHAEL KEARNS, Interim Executive Director of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this _____ day of _____, 2009.

MICHAEL P. KEARNS
INTERIM EXECUTIVE DIRECTOR

DISSENT: _____

DISSENT: _____

EGJ:KDB:lhml

Decision No. _____

SERVICE LIST FOR: Various Regulated Utility Companies
DOCKET NO. C-00000A-09-0060

Airnex Communications, Inc.
3180 Crow Canyon Pl., Ste. 109
San Ramon, CA 94583

Greenehaven Water Company, Inc.
PO Box 5122
Page, AZ 86040

Americom Technologies, Inc.
Network Utilization Services
PO Box 990-165
Boston, MA 02199

Holiday Enterprises Incorporated
Holiday Water Company
PO Box 309
Tombstone, AZ 85638

Candace Adair
Adair Communications
4218 W. Flower St.
Phoenix, AZ 85019-4135

John Wiser
Cactel
2027 Del Oro Lane
Yuma, AZ 85364

Cienega Water Company, Inc.
PO Box 3518
Parker, AZ 85344

Lake Verde Water Company
PO Box 2777
Camp Verde, AZ 86322

Cognigen Networks, Inc.
6405 218th St SW., Ste. 305
Mountlake Terrace, WA 98043-2180

LDC Telecommunications, Inc.
c/o InterControllers
10012 N. Dale Mabry Hwy., Ste. 215
Tampa, FL 33618

Crown King Water Company, Inc.
4918 W Park View Lane
Glendale, AZ 85310

Lucky Hills Water Company
PO Box 309
Tombstone, AZ 85638

Elfrida Domestic Water Users Association
PO Box 356
Elfreda, AZ 85610

MGEN Services Corp.
2510 N. Redhill Ave., Ste. 230
Santa Ana, CA 92705

Empire Payphones, Inc.
1490 Westfork Dr., Ste. G
Lithia Springs, GA 30122

Morristown Water Company
PO Box 156
Morristown, AZ 85342

Gaslight Theatre
7010 E. Broadway
Tucson, AZ 85710

Oatman Water Company, L.L.C.
9184 N. 81st St.
Scottsdale, AZ 85258

Greenehaven Sewer Company, Inc.
PO Box 5122
Page, AZ 86040

Payphones Plus Inc.
1635 E. Redfield Rd.
Tempe, AZ 85283

- | | | |
|----|--|--|
| 1 | Picacho Water Improvement
PO Box 44 | Voyager at White Mountain Lakes Water
Company, Inc. |
| 2 | Picacho, AZ 85421 | 1993 Juniper Ridge Resort |
| 3 | Q Mountain Water Inc. | Show Low, AZ 85901 |
| 4 | 12486 S. Foothills Blvd. | Voyager Water Company |
| 5 | Yuma, AZ 85367 | 8701 S. Kolb Rd |
| | South Rainbow Valley Water Coop. | Tucson, AZ 85706 |
| 6 | 27205 S. 170 th Ave. | Vycera Communications, Inc. |
| 7 | Buckeye, AZ 85326 | 1339 Caminito Laura |
| | Southland Sanitation, Co. | Encinitas, CA 92024-7003 |
| 8 | 2730 E. Broadway, Ste 135 | Westel, Inc. |
| 9 | Tucson, AZ 85716 | c/o Nick Tondre |
| | Southside Liquors | 9606 N. Mopac, St. 700 |
| 10 | 619 W. Frito Ave | Austin, TX 78759 |
| 11 | Mesa, AZ 85210 | White Horse Ranch Owners Association, Inc. |
| 12 | Strawberry Water Company | PO Box 670 |
| 13 | HC 1 Box 817 | Dewey, AZ 86327-0660 |
| 14 | Pine, AZ 85544-9719 | Wildcat Wash Well, Ltd. |
| | Sun Leisure Estates Utilities Company Inc. | 5212 E. 8 th Street |
| 15 | c/o Crites & Associates | Tucson, AZ 85711 |
| 16 | PO Box 5681 | William P. Farr |
| 17 | Yuma, Az 85366 | Salome Water Company |
| | Sunrise Utilities, L.L.C. | PO Box 550 |
| 18 | PO Box 3630 | Salome, AZ 85348 |
| 19 | Mesquite, NV 89024 | Willow Lakes Property Owners Association,
Inc. |
| 20 | Telliss, LLC | PO Box 875 |
| 21 | 9093 Technology Dr., Ste. 104 | Benson, AZ 85602 |
| 22 | Fisher, IN 46038 | |
| | Truxton Canyon Water Company, Inc. | |
| 23 | 2409 Ricca Dr | |
| 24 | Kingman, AZ 86401 | |
| | ValuTel Communications, Inc. | |
| 25 | ValuTel Communications | |
| 26 | 13809 N. Highway 183, Ste. 705 | |
| 27 | Austin, TX 78750-1246 | |
| 28 | | |